



**Shelby County Grants Office
Grants Policy and Procedures Manual**

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1 INTRODUCTION

The purpose of the Shelby County Grants Office Policies and Procedures Manual is to provide a uniform method of applying for and managing grants as well as to outline how to remain in compliance with local, state and federal regulations. Specifically, policies reflect the "rules" governing the components of grant funding. Procedures represent an implementation of policy and should evolve over time as new tools emerge, new processes are designed and risk changes due to environmental changes.

The structure of this manual outlines the three main sections; Preapplication, Operational and Compliance. The policies and procedures outlined in this document are intended to be a basic guideline and constantly evolving, thus regular updates can be expected.

1.1 Shelby County Grants Office

The Shelby County Grants Office (SCGO) was established under the Division of Community Services to streamline grants awarded to the County. The process involves documenting all grant awards in which Shelby County Government is named grantee, creating and maintaining a comprehensive database of grant award information, distributing pertinent information to grant coordinators, recipients and sub recipients, insuring that grants are compliant based on programmatic, financial and legal authorities, and serving as a resource to SCG grant managing agencies or departments. The SCGO serves two core areas: Grants Management and Grants Compliance.

Objectives of the office involve evaluating grant program accountabilities, performing desk evaluations and site visits, maintaining County-wide grant data, assisting departments with grants related documents, questions or concerns, and serving as a liaison to local, state and federal agencies in the management of grants per the direction of County administration.

SCGO Contact Information

Mailing Address:

Vasco A. Smith, Jr. Administration Building
160 N. Main, Suite 350
Memphis, TN 38103
901-222-4316 *fax*

Email Address:

grantsoffice@shelbycountyttn.gov

Staff:

Dottie Jones, Director
901-222-2085 *phone*

Roger Henderson, Grants Manager
901-222-2087 *phone*

Sandy Rutherford, Grants Compliance Officer
901-222-3960 *phone*

You may contact any member of the SCGO team for grants assistance. You may also utilize the SCGO website at <http://www.shelbycountyttn.gov/index.aspx?NID=2261> for helpful grant-related information and news.

1.2 Purpose of the Grants Policy and Procedures Manual

Shelby County Government is responsible for applying uniform methods to the application, management and compliance of approximately \$125 million in grant funded revenue. In an effort to sustain the County's mission involving grants, policies and procedures governing the components of grants management must be documented and communicated with County-wide grant staff. The Shelby County Grants Office serves to establish grants policy and procedures, and update them as new tools emerge; new requirements are introduced by grantor agencies and as risk evolve in response to internal or external change. The centralized oversight of County grants is designed to increase the overall effectiveness of Shelby County grants management.

Effective July 1, 2012 the policies and procedures set forth herein are to be applied to all federal, state and other grant funded projects wherein Shelby County Government is named grantee.

Grant managing departments throughout Shelby County Government will receive a Shelby County Grants Office (SCGO) grants manual and will be supplied subsequent updates upon release by the SCGO. An acknowledgement of receipt will accompany each grants manual and update that is to be signed and returned to the SCGO by department directors upon their receipt of a manual or update.

1.3 Grants Administration

Shelby County Government is the official grantee and the Shelby County Mayor is the official authorized signatory for all grants, regardless of the division or department managing the grant program.

SCG grant staff and any subgrantees are responsible for fulfilling all aspects of the grant contract including administrative, programmatic, and financial components while adhering to all governing authorities that legally bind Shelby County Government to the Grantor through a grant agreement.

Division and/or department grant staff will be responsible for executing and managing the overall project, including all subawards. OMB A-102 Section 40 (a) reads, "Grantees are responsible for managing the day-to-day operations of grant and subgrant supported activities. Grantees must evaluate grant and subgrant supported activities to assure compliance with applicable Federal requirements and that performance goals are being achieved. Grantee evaluations must cover each program, function or activity."

When a subagreement is issued under a grant or cooperative agreement the terms subgrant or subaward are used. Subcontracts and subawards provide a contractual mechanism through which Shelby County passes on the terms and conditions of the original award to the partnering agencies. Subaward project management should first

focus on the following areas: 1) Contractual obligations, 2) fiduciary responsibility and 3) communication with the grantee agency. Subawards are governed by several sets of rules including federal/state statutes and regulations, administrative requirements and internal policies. Compliance with these rules help grant staff meet agency and organizational expectations, avoid sanctions and facilitate stronger partnerships between the grantor, grantee and sub-recipients.

On a broad scale, the Shelby County Grants Office oversees all grant programs wherein Shelby County Government is named grantee, working in concert with division and/or department grant staff and assisting in the management and compliance of such grants.

1.4 Certifications

The Shelby County Grants Office is responsible for maintaining certain certifications on behalf of Shelby County Government, including but not limited to the DUNS number and registration within System for Award Management (SAM). Effective July, 2012, Central Contractor Registration closed permanently and was transferred into the System for Award Management (SAM). Moving the CCR system to SAM was part of the first phase to combine eight federal procurement systems and the Catalog of Federal Domestic Assistance (CFDA) into one new system. The first phase also integrates the Federal Agency Registration (FedReg), the Online Representations and Certifications Application (ORCA), and the Excluded Parties List System (EPLS). The SCGO will monitor and maintain all necessary certifications within SAM.

1.4.1 DUNS Number

The federal government requires organizations to provide a DUNS number as part of their grant applications and proposals. The federal government's Office of Management & Budget has adopted the use of DUNS numbers as a way to keep track of how federal grant money is awarded and dispersed.

1.4.2 Central Contractor Registration (CCR)

Central Contractor Registration is the primary vendor database for the U.S. Federal Government. Both current and potential government vendors are required to register in CCR in order to do be awarded contracts by the government. Vendors must update or renew their registration annually to maintain an active status.

1.4.3 ORCA Certification

Online Representations and Certifications Application (ORCA) replaces most of the paper based Representations and Certifications in solicitations with an Internet application.

Periodically, department staff will need verification of one or more of these. Such verification can be obtained from the SCGO.

2 **PRE-AWARD**

County grant staff should notify the SCGO of significant grant related activities such as: grant planning, grant submission, grant approval, grantor site visits, grantor program reviews, key staff changes, misconduct involving grant program financials or programmatic activities, client complaints, etc. These notifications allow the grants office to track County grant initiatives more effectively during the lifecycle of a grant. All notifications should be directed to grantsoffice@shelbycountyttn.gov

2.1 **Pre-Application**

2.1.1 **Planning**

Before an application for funding can be created a department should know its needs and how to find resources to meet those needs. It is best to develop departmental strategic plans before reviewing available solicitations. This will minimize the tendency to ‘chase grants’ and institute grant funded programs that are not a good fit for the department.

Departmental planning can be conducted in different ways and can be formally orchestrated or informally noted. Formally speaking, conducting a needs assessment with the end users is the most efficient way to document needs. Informally, focus groups or round table discussions concerning gaps in service or function can be discovered. During the planning process it is important to communicate with internal and external customers as the opportunities could be interrelated.

It is important to note during the planning process to inquire about what has and has not been successful in the past, on a local, state and national level. Model programs may exist in other communities and can be a valuable planning resource. Likewise, if past performance does not appear to favor positive future results, the planning process should address ways in which the future project will not replicate the past.

- **NOTE:** A program timeline should allow for administrative time to create and present a resolution to the Shelby County Board of Commissioners as well as execute a budget.

2.1.2 **Solicitations**

There are many places to research available grants. Usually, federal and state governmental agencies have an interest in notifying subordinate areas of available resources as quickly and efficiently as possible. To this end there are some key websites that are primary when needs are noted. Federally, www.grants.gov works to simplify and standardize the grants application process while creating a centralized, online arena to find and apply for grant programs from the 26 federal grant-making agencies.

Locally, the State of Tennessee maintains notification through the state’s website www.tn.gov although there is no centralized grant function. Below are a few websites for grant solicitations through the State of Tennessee:

- Tennessee Office of Criminal Justice Programs
<http://www.tn.gov/finance/rds/ocjp/grantApp.html>
- Tennessee Recreation Educational Services Department
<http://www.tn.gov/environment/recreation/grants.html>
- Governor's Highway Safety Office
<http://www.tdot.state.tn.us/ghso/grants.html>

Lastly, the <http://foundationcenter.org/> provides a conduit for matching grant seekers with philanthropist. Through data, analysis, and training, it connects people who want to change the world to the resources they need to succeed.

2.2 Grant Application Process

Given sufficient notice the SCGO can assist in the construction and coordination of a grant application. As a best practice, all County grant staff shall notify the Shelby County Grants Office at grantsoffice@shelbycountyttn.gov prior to a grant application being submitted wherein Shelby County Government is named grantee.

- **NOTE:** The application as submitted to the granting agency will be incorporated into a contractual agreement between Shelby County Government and the granting agency.

2.2.1 General Description

The Shelby County Grants Office is the conduit through which the grant process flows from department staff to administration. The procedure outlined herein should be followed for all grant applications from every County Department and elected official office.

2.2.2 Grant Application Procedure (Internal Applications)

- a) **Identification.** Potential grant funding sources might be identified by department staff or by staff of the Shelby County Grants Office through a variety of sources including government and private publications, Internet research, or other means.
- b) **Notification.** When a grant opportunity is identified and any County department is interested in applying, the Shelby County Grants Office should be notified. Notification should include:
 - (1) Source of grant funding.
 - (2) Department interested in applying and department contact.
 - (3) Estimated amount of funding to be requested.
 - (4) Application due date.
 - (5) Summary of project to be funded.
 - (6) List of potential “partners” to be included.

- c) Review of applicability and compliance. Staff of Shelby County Grants Office will review the information provided to determine suitability of proposed program to meet the grant guidelines. Staff will also review required assurances to ensure County's ability to comply. Review process should take no more than two days unless additional research of the grant program is needed. Feedback will be provided to the department regarding suitability and/or any potential compliance issues.
- d) Distribution to other department staff. When appropriate, grant information will be disseminated to other department directors and grant personnel, promoting an opportunity to include other programs where appropriate, thus strengthening the application, as well as to avoid duplication of effort or competition among departments for available grants. Feedback from other departments and potential collaborations identified will be forwarded to the initiating department.
- e) Grant development process. The Shelby County Grants Office will work directly with department staff on the grant application, to whatever extent is necessary and appropriate. Some of the services provided will include:
 - (1) Outline the benchmarks to be accomplished during the grant development process.
 - (2) Set up critical dates for progress reports and completion.
 - (3) Provide technical assistance on compliance issues such as EEO plans; Title VI; Lobbying issues and Drug Free Workplace programs.
 - (4) Research ideas from other cities and other sources of funds.
 - (5) Assist with bringing additional public and/or private partners to the grant process, where applicable.
 - (6) Assist with writing performance outcome measures.
 - (7) Serve as a central point of contact at County to interface with the Finance Department, County Legal and Chief Administrative Office.
 - (8) Provide technical assistance in writing the application and/or completing necessary certifications and forms.
 - (9) Facilitate the involvement of an outside grant writer or consultant when appropriate.
 - (10) Review draft application/suggest revisions of any deficiencies.
- f) Technical review. All grant applications for the County are subject to a technical review by Shelby County Grants Office. Recommendations for revisions from Shelby County Grants Office will be incorporated in the final application.
- g) Final review and preparation for submission. The final grant application will be prepared for signatures by the department staff and submitted to the Shelby County Grants Office. The Shelby County Grants Office will prepare a

summary memo and send the application for approval/signature to the CAO and Mayor. The departments should anticipate six business days for approval.

2.3 Approval for Electronic Submission

Grants submitted electronically do not normally require a signature from the Mayor, however, these grants are subject to the same review process outlined in Section 2.2.2g above. The final grant application will be prepared by the department staff and submitted to the Shelby County Grants Office. The SCGO will prepare a summary memo and send the application for approval to the CAO. The departments should anticipate three business days for approval.

2.4 Grant Consultants

When a decision is made to hire an outside grant writer or consultant, the Shelby County Grants Office will continue to be involved in the grant development process, serving in an advisory and/or technical assistance capacity to ensure that the administration's best interests are represented. Grant applications prepared by outside consultants may also be subject to final review by the Shelby County Grants Office and are subject to the same approval process as outlined in Sections 2.2.2 and 2.3 above.

2.5 Shelby County Participation (External Applications)

There is a role for the SCGO as it relates to grant applications being submitted by other organizations, both private and public. There are a number of grant opportunities available for non-profit organizations in which the County could collaborate and support. The County can serve as a “partner” in some grants, provide a letter of support, review the application for consistency with County policies and programs or, in some instances, provide matching funds. The level of participation should be based on the capacity of the applicant to meet the goals of the grant, and the awareness of the importance of the grant to the overall goals of the community.

2.6 Notice of Grant Award

The means by which departments can be notified of a grant can vary. Grant award notices can be sent to the Mayor, CAO and/or other designated Shelby County grant staff via email, regular mail or facsimile transmission. Once a notice of grant award is received, project implementation begins with notifying the SCGO.

SCG grant staff shall forward a copy of the grant award agreement, application and application support documents to the SCGO via email at grantsoffice@shelbycountyttn.gov upon receiving a grant award notice. Please include the department/department name, grant staff name, including contact information, and the Shelby County fund number, if known, that is associated with the award.

3 OPERATIONAL

3.1 Execution

3.1.1 Grant Award Notification Procedures

All grant awards shall be reviewed by the SCGO and Contracts Administration prior to requesting the Mayor's signature.

a) Requesting the Mayor's Signature

County grant staff shall submit a copy of the Notice of Grant Award (NGA), and/or a grantor contract, with a Grant Fact Sheet (GFS) to the Shelby County Grants Office via email to grantsoffice@shelbycountyttn.gov

NOTE: The GFS is provided in Section F.3.d – Appendix of the SCGO Policies and Procedures manual. The Grant Fact Sheet will accompany the NGA and/or grantor's contract, receiving approval from the SCGO and Contracts Administration prior to being submitted to the Mayor.

After the SCGO approves the grant award, the SCGO will submit it to Contracts Administration requesting the Mayor's signature. The SCGO's review of the GFS and NGA should take no more than 24 hours. If a problem or concern exists, grant staff will be notified immediately.

Grant Award Notices generally require the Mayor's signature within 10 – 45 days of receipt of the notice. This provides no time for delays in the procedural review, approval, and preparation of resolutions that are necessary to appropriate and expend grant funds.

Shelby County Contracts Administration grant award procedures are identified in Shelby County's Purchasing Rules and Regulations, Contracts and Policy.

b) Grants Not Requiring the Mayor's Signature

Grants that do not require the Mayor's signature or external grants that affect Shelby County Government and/or require a letter of support and/or matching funds should be routed to the SCGO to be reviewed.

3.1.2 Grant Fund Number Request

After receiving an award notification, a Grant Fund Number Request form shall be submitted to Finance. The grant's fund number is typically a three digit number and unique funding identifier of various grant programs within Shelby County Government. **NOTE:** The Grant Fund Number Request form is available on the Shelby County Finances internal website and is provided in Section F.3.a – Appendix of the SCGO Policies and Procedures manual.

3.1.3 Automated Clearing House (ACH) Enrollment Form

Banking information for Shelby County Government automated payments is on file with most federal and state agencies. However, with some new grants, an Automated Clearing House (ACH) enrollment form might be necessary. The form requires banking information including account numbers, routing numbers and a signature from the banking institution. The Shelby County Grants Office works with the Trustee's Office to complete such forms. If an ACH form is needed, please contact the SCGO at grantsoffice@shelbycountyttn.gov for assistance.

3.1.4 Grant Resolutions

The Mayor may sign a grant award without the Commission's approval; however, the operating budget cannot be amended without a resolution. All grants have to be presented and adopted via resolution by the Shelby County Board of Commissioners and signed by the Mayor. Once the resolution is signed by the Mayor, Finance will load the newly created budget into the appropriate financial systems.

The SIRE web center (<https://agendainput.shelbycountyttn.gov>) is an electronic control system for resolutions and is maintained by the Shelby County Board of Commissioners. All resolutions and respective attachments should be entered into SIRE and routed through the appropriate departmental channels ("gatekeepers") in order for grant funds to be accepted and spent. Please ensure that all support documents are uploaded into SIRE in order to prevent the resolution being returned to the originator and delayed until the next County Commission Committee meeting. The following documents, whenever applicable, should accompany all grant resolutions.

Documents relevant to grant-related resolutions are:

- Resolution and summary sheet
- Grant Budget Exhibit
- Position Control Budget (PCB)
- Grant Fact Sheet
- Child Impact Statement
- Notice of Grant Award (NGA) – contract or agreement
- Include the NGA for every resolution, not just the initial grant award, i.e. budget amendments
- Contract Administration's Contract and Encumbrance Information Sheet Grant Fund Number Request form
- Subgrant agreement(s) should have the following:
 - RFP and response to proposal
 - Org chart of the agency, including race and gender of each member and salary of the executive director or top executive
 - Org chart of the agency's advisory/governing board, including race and gender of each member
 - Certificate of Liability Insurance

- Gratuity Disclosure Form

3.1.5 Purchasing

All grant related equipment relative to the execution of the grant should be planned for and executed during the first quarter of the grant cycle and are subject to Shelby County Purchasing Department procurement guidelines. Documentation of goods and services purchased with grant funds should reflect the process from beginning to end and should easily show efforts of competitive bidding when application. Documentation of purchases should include quotes or competitive bid, requisition, Purchase Order, Invoice including invoice number and clearly communicate the amount paid, and GEMS confirmation of payment.

- **NOTE:** Some grant related purchases may require separate authorization from the granting agency before commencing the purchasing process. Even though a grant provides or requires the purchase of equipment or supplies you should check with the grantor before executing purchases.

3.1.6 Request for Proposals

Whenever Shelby County issues a Request for Proposal solicitation that is grant funded, grant staff shall inform potential bidders through language in the RFP that Shelby County Government may not execute a grant-funded subaward unless they have a valid DUNS number on file.

In an effort to collect DUNS numbers on County forms, where needed, (2) County grant-related forms will be updated to collect the DUNS number of SCG vendors. These forms are: 1) Contract and Encumbrance Information Sheet, and 2) Vendor Registration Application. A sample copy of these forms is provided in the Section Appendix – Grant-related Forms.

3.1.7 Grant Contracts and Other Grant-related Agreements

All grant contracts shall be reviewed by the SCGO and Contracts Administration prior to requesting the Mayor's signature.

a) Grant Contracts Protocol

Before County grant staff can subaward funds to a particular sub-recipient, the following criteria must be met: 1) the grant program must authorize subawards, 2) the County grant staff must have internal authorization through the Shelby County Grant Office and Contracts Administration departments via approved Contracts and Encumbrance Information Sheet or Contract Encumbrance Memo, and 3) the sub-recipient must have received proper authorization from their agency's authorized official to receive the funds.

b) Grant Contracts Notification and Approval Procedures

Divisional grant staff shall submit a copy of the Notice of Grant Award (NGA), also known as a grantor contract, along with a Grant Fact Sheet (GFS) and all other relevant documentation to the Shelby County Grants Office. The SCGO will confirm the award and forward documents to the Contracts Administration

following same procedures that have been in place. The confirmation process should take no more than 24 hours. If a problem or concern exists, grant staff will be notified immediately.

- **NOTE:** The Grant Fact Sheet is provided in Section F.3.d – Appendix of the SCGO Policies and Procedures manual. The GFS will accompany the NGA or grantor's contract, receiving approval from the SCGO and Contracts Administration prior to being submitted to the Mayor.

c) Contracts and Subawards

The grant application, as submitted to the granting agency, is normally the basis of a contractual agreement between Shelby County Government and the grantor agency. Any grant related contracts and respective subawards are to be sent to the SCGO. Contracts will be forwarded to the Shelby County Contracts Administration office upon review of information. Please refer to the SCGO website for update dates to this process.

d) Subaward

A legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that: 1) the prime recipient awards to an eligible sub-recipient, or 2) sub-recipient at one tier awards to a sub-recipient at the next lower tier; however, a subaward does not include procurement of goods and services nor does it include any form of assistance which is excluded from the definition of award. FFATA regulations report "subaward obligations." See Section 1 of the Appendix - Glossary for the definition of award. An award is considered a subaward if a vendor meets all of the following criteria:

- 1) Determines who is eligible to receive what Federal financial assistance;
- 2) Has its performance measured against whether the objectives of the Federal program are met;
- 3) Has responsibility for programmatic decision making;
- 4) Has responsibility for adherence to applicable Federal program compliance requirements; and
- 5) Uses the Federal funds to carry out a program of the organization as compared to providing goods or services for a program of the pass-through entity.

3.1.8 Financial

By in large the following financial narrative can be cross referenced with Shelby County Finance Department's Rules and Regulations FRR 22-11c.

a) General

Activities and programs undertaken by the County are often fully or partially supported by grants or similar arrangements from federal, State or other sources (sponsors). While this support permits beneficial activities to occur, the County often incurs the cost of funding the activity until reimbursements are received from the funding party. The significant amounts involved create cash flow

issues for the County and sponsors should not be surprised that the County needs prompt reimbursements in order to fund the sponsored activity. This FRR sets forth the responsibility for billing and collecting reimbursement amounts due to the County.

b) Billing & Collections

- i) Under the County structure for the decentralized administration of grants, the organizational unit that administers a grant is responsible for the billing for reimbursements and following up on collections when necessary.
- ii) All invoicing/billing necessary to secure reimbursements will be performed by the department responsible for the grant. These billings may be in the form of an invoice, fiscal report or other document; for purposes of this FRR a “billing” is any document submitted to grantors that should prompt payment to the County whether called a billing, invoice, fiscal report or something else.
- iii) A copy of all billings should be submitted to the Finance Department, attention of Accounts Receivable section, immediately upon issuance. Any adjustments or changes in the amount should be communicated to the Finance Department. All billings will be recorded as an accounts receivable. This will provide accounting records of amounts due and assist in identifying payment amounts received.
- iv) Upon communicating billings to the Finance Department, the organizational unit that administers a grant should forward the respective coding for the receivables to include appropriate fund, organizational code and account numbers.
- v) The department responsible for a grant should follow up on amounts due from grantors when payment is not made within a reasonable time. As payments are later being made the department may need to escalate the level of contacts within the sponsor’s organization to help secure payments. When a payment is received for an amount different from the amount billed the department should contact the sponsor to determine the reason for the payment variance and take the necessary corrective action to adjust billings and charges if necessary or to assist the sponsor in determining that an additional payment is in order.
- vi) The Finance Department is charged with monitoring all County cash flow and determining that funds are available to pay salaries and other expenses when due. Part of the overall cash flow monitoring activities include monitoring accounts receivables and determining actions needed to collect all amounts due on a timely basis. The Finance Department provides all departments with monthly reports of all outstanding receivables and will make inquiries about the status of receivables that are late being paid, both to assist in projecting cash inflows and to prompt follow up by departments with the sponsors. A receivable balance outstanding more than 90 days is seriously delinquent and the assistance of higher levels of management may be sought to achieve collection. If a department believes that Finance Department contact with a sponsor can assist in getting payments more quickly the Finance Department is available to provide such assistance.

c) Reimbursement v. Advance Payment

- i) Reimbursement grants are grants that require an organization to make the expenditures before receiving grant funds for those expenditures.
- ii) Advancement grants are grants that release grant funds before expenditures are made.

3.1.9 Evaluate Progress

Documentation of programmatic progress should be maintained and reviewed regularly to insure effective grant management. The grant contract and respective application are typically used to evaluate progress as well as past performance reports and communication from internal and external customers. In the event a grant utilizes a paid evaluator, documentation of frequent communication should be retained.

3.2 Record Keeping

3.2.1 Record Retention

Master grant files are to be maintained by County grant staff and each sub-recipient, and uploaded to the SCGO grant repository. Having organized files allows grant documents to be quickly accessed upon request by the grantor, grantee or any authorized Shelby County Government staff member.

Unless the grant agreement states otherwise, all grant award records are to be retained for a period of three (3) years from the date of submission of the project's final financial and performance report. As a best practice, grant staff and sub-recipients are encouraged to keep grant document files two years longer than required.

If any litigation, claim, or audit is started before the expiration of the (3) year period, grant records shall be retained until all litigation, claims or audit findings have been resolved and final action has been taken.

3.2.2 Acceptable Grant Files

County grant staff, at a minimum, should retain the following information in their grant file:

- Grant application, project abstract, narrative and budget
- Grant award notification – contract or agreement
- Resolution/exhibits approved by the County Commission
- Grant program policies and procedures designed to provide assurance to achieve the following:
 - Effective and efficient operations
 - Reliable financial reporting
 - Compliance with applicable laws and regulations
- Subgrantee files, including the subcontract or subgrant agreement, subgrantee invoices, record of payments vs. budget allowance, and internal control questionnaires/risk based assessments

- Purchase orders/encumbrance records for all grant fund purchases
- Progress reports submitted
- Financial reports submitted

3.3 Reports

3.3.1 Grant Reporting Procedures

County grant staff is responsible for ensuring that all program reports are completed and submitted on time per the grant guidelines.

3.3.2 Submitting Reports

A copy of all quarterly, semi-annual, annual, and close-out reports pertaining to a grant's progress, performance, financial or close-out shall be forwarded to the SCGO via email at grantsoffice@shelbycountyttn.gov at the same time they are submitted to the grantor agency. Please include the department/department name, grant staff name including contact information, grant program title, and the Shelby County fund number that is associated with the grant program. The SCGO shall file all reports in the grant repository.

3.3.3 Types of Reports

a. Performance

Shelby County Departments are required to regularly submit and retain performance reports that reflect grant funded operational progress as required by the grant.

b. Financial

Shelby County Departments are required to regularly submit and retain financial reports that reflect a grants fiscal health as required by the grant. Invoices are expected to be submitted no more than monthly and no less than semi-annually unless otherwise noted by the grantor.

c. Close-out

Close-out documentation should be provided by the grantor. Grant staff are responsible for showing the grant's budget balances with Shelby County Finance records and any discrepancies are noted in the grant files.

4 COMPLIANCE

4.1 Purpose of Compliance

The purpose of grants compliance is to promote orderly grant operations, insuring that quality services are consistent with the grant's mission and objectives and that grant funds are used according to the project's approved application, scope of services, budget, subawards, and all other legal requirements that are associated with the grant.

4.2 Internal Oversight

It is Shelby County Government's duty to safeguard grant funds against loss due to waste, abuse, mismanagement, errors and fraud. The Shelby County Grants Office works to promote adherence to laws, statutes, regulations, contracts, grant agreements, policies and procedures that govern its grants. Components of an internal control environment include: 1) Risk Assessment, 2) Control Activities, 3) Information and Communication, and 4) Evaluations.

Effective grant control environments are made-up of staff that understand their responsibilities, limits to their authority, and are committed to doing what is right in a correct and timely manner.

4.3 Grant Governance

The particular grant environment governs how business is conducted. The type of grant determines the program and public policy laws, administrative, cost principles and audit requirements that are to be followed. Below is the standard hierarchy of grant governing authorities for federal grants.

All legal authorities for which the grantee or subgrantee is bound to through the grant agreement must be upheld. Therefore, it is essential to understand the legal governing of each grantor agency so that grant staff and their sub-recipients are in compliance.

Shelby County Government must comply with all relevant statutes passed by Congress, state, or local government as long as they are not contradictory. When contradictory, the statute authorizing the grant program shall supersede and the grant's program manager shall be notified to confirm the accuracy of the decision.

4.3.1 Governing Authorities for Federal Grants

Direct federal grants are those in which the U.S. government is the agency granting funds to Shelby County Government. In this scenario, Shelby County Government is considered the grantee or pass-through agency.

a. Grant Program Guidelines/CFDA

The online Catalog of Federal Domestic Assistance (CFDA) provides access to a database of all federal programs available to state and local governments. The Catalog of Federal Domestic Assistance is a government-wide compendium of Federal programs, projects, services, and activities that provides assistance or benefits to the public. It contains financial and nonfinancial assistance programs administered by departments and establishments of the Federal government.

The primary purpose of the Catalog is to obtain general information on Federal assistance programs and improve coordination and communication between the Federal government and State and local governments. Programs selected for inclusion in the Federal assistance data base are defined as any function of a Federal agency that provides assistance or benefits for a State or States, territorial possession, county, city, other political subdivision, grouping, or instrumentality thereof; any domestic profit or nonprofit corporation, institution, or individual, other than an agency of the Federal government.

Assurances, program compliances, and executive orders that specifically govern a grant program are also to be considered governing program guidelines.

b. Code of Federal Regulations

The Code of Federal Regulations such as particular CFR and OMB guidance that applies to the particular grant program, including uniform administrative requirements, cost principles, and audit.

c. Notice of Award or grant agreement/contract

The Notice of Grant Award (NGA), legal agreement or contract between the funding agency or grantor, and Shelby County Government including any reference to external requirements that are cited within the document.

4.3.2 Governing Authorities for State Grants

A grant that is funded by the U.S. government that passes through the State of Tennessee to Shelby County Government is not a direct federal grant, but instead is a federal through state grant and should adhere to state grant guidelines.

a. Notice of Award or grant agreement/contract

The Notice of Grant Award (NGA), legal agreement or contract between the funding agency or grantor, and Shelby County Government including any reference to external requirements that are cited within the document.

b. Program Guidance / CFDA

If it is a pass-through from Federal to State to Shelby County Government, adhere to the grant program's CFDA for grant activities not addressed in the grant contract.

c. Code of Federal Regulations / CFR and OMB Circulars

If it is a State pass-through from a Federal grant, adhere to the CFR whenever the grant activity is not addressed in the grant contract or program guidance.

4.4 Risk Based Assessment Tools

Risk assessment is an evaluation to determine areas and functions of a grant program that have risk for errors, noncompliance, and fraud.

It is County grant staff's responsibility to monitor subgrantees, insuring that the agency is in compliance based on the grant agreement. The Shelby County Grants Office will assist County grant staff in monitoring subgrantees.

4.4.1 Subgrantee Evaluation for Internal Controls

Shelby County Government has risk based assessment tools that shall be used to monitor subgrantees. The Shelby County Government Subgrantee Evaluation for Internal Controls questionnaire form shall be distributed to all subgrantees whenever a grant contract is executed. On September 1 of each calendar year, County grant staff shall distribute the SCG Subgrantee Evaluation for I/C form to be completed by all active subgrantees on September 1 and returned on or before September 15, unless the subgrantee's most recent Subgrantee Evaluation was distributed after July 1 of the same calendar year.

- **NOTE:** Subgrantees may be required to complete separate Evaluation for Internal Controls form for each Shelby County grant program.

4.4.2 Subgrantee Risk-Based Assessment Procedures

Once the subgrantee has completed and returned their Subgrantee Evaluation for Internal Controls questionnaire, County grant staff may ask the SCGO to assist in the completion of the Subgrantee Risk-Based Assessment form, or grant staff may choose to complete the assessment form themselves.

4.4.3 Procedures for Finalizing the Risk-Based Assessment

If both the Subgrantee Evaluation for I/C and Subgrantee Risk-Based Assessment forms have been completed, grant staff shall email the SCGO at grantsoffice@shelbycountyttn.gov a copy of the individual subgrantee evaluation and subgrantee risk-based assessment for each subgrantee. A best practice is to scan each individual subgrantee's internal control evaluation and risk assessment forms together and name each file with the SCG fund number and subgrantee name.

- **NOTE:** If grant staff needs assistance interpreting any portion of the Risk-Based Assessment, do not hesitate to contact the SCGO for help or clarification. If technical assistance by phone does not resolve the question(s), grant office staff will schedule a site visit.

4.5 Grant Evaluations (formerly referred to as grant monitoring/review)

A grant evaluation is the assessment of internal control performance over time. The purpose of evaluating is to reveal if internal controls are adequately designed, effective, and whether or not they are being properly executed. Basically, a grant evaluation is a method of providing assurance that all is well or to determine that focus is needed on specific areas.

4.5.1 SCGO's Evaluation of County Grant Staff

Subgrantees and County grant staff departments' grant programs may be evaluated at any time by the Shelby County Grants Office. In cases wherein subgrantees are being evaluated, the SCGO will first communicate evaluation efforts to the County grant staff. In cases wherein County grant recipient departments are being evaluated, the SCGO will advise the grant staff in writing that an evaluation has

been initiated by the Shelby County Grants Office, and include in the notice a request for information or site visit date.

4.5.2 Desk Evaluations

Grant evaluations may be conducted through the desk of SCGO staff or on-site, where the program is administered. Desk evaluations are generally conducted for the purpose of saving time, with a site visit to follow the initial assessment of data and documentation if it is determined that a site visit is needed to finalize the evaluation.

The steps in a desk evaluation typically include: 1) Researching the subgrantee, the program and the project, 2) Collecting information and documentation, 3) Analyzing documentation, and 4) Reporting the results and notifying the subgrantee and other appropriate agents.

4.5.3 Site Visits

Site visits are particularly appropriate for complex or troublesome projects, but can also be utilized as a form of randomly assessing grant programs, to insure that proper systems are in place to meet requirements of the grant.

4.5.4 Evaluation Documents

The following documents are typically requested for a grant evaluation or site visit:

- Grant program files
- Governing regulations
- Financial and progress reports and supporting information
- Audits
- Grant staff and subgrantees' policies and procedures

4.6 Technical Assistance

The SCGO will provide technical assistance for any related compliance matter, provided that reasonable notice is given requesting such assistance. Technical Assistance Request forms are available on the SCGO website's Grant-related Forms page. Grant staff, subgrantees, and SCGO may utilize this form to assist with documentation and status updates regarding any grant program issue.

4.7 Occurrences that Call for Grant Staff to Notify SCGO Immediately

4.7.1 Key Personnel Changes

The SCGO shall be notified as quickly as possible by the grant staff upon the resignation, termination, or retirement of any grants liaison or other key grant program staff member to insure that proper retention of information and continuous grants management occurs during the transition period.

4.7.2 Notice of Audit, Monitoring visit or Review

The SCGO shall immediately be notified upon receipt of a notice by County grant staff of a site or monitoring visit to be performed by the grantor funding agency. SCGO staff may assist in the preparation of grantor site visits, reviews, or audits.

4.7.3 Grant Misconduct

Waste, fraud, abuse, misconduct or any other serious deviation from acceptable grant practices when proposing, carrying out, or reporting activities or results that involve a grant is considered grant misconduct. Any form of grant misconduct or potential misconduct shall be reported to the SCGO within twenty-four (24) hours. Upon contact, the SCGO will take a report and then work with grant staff to insure all proper investigative and notification procedures are followed.

5 GENERAL GRANT REGULATIONS

5.1 DUNS Number Requirements

The Federal government requires that all applicants for Federal grants, cooperative agreements, and subawards, with the exception of individuals other than sole proprietors, have a DUNS number to better identify Organizations that are receiving funding under grants and cooperative agreements, and to provide consistent name and address data for electronic grant application systems.

The Data Universal Numbering System (DUNS) number is a unique nine-digit identification number provided by Dun & Bradstreet (D&B). The DUNS Number is site-specific. Therefore, each distinct physical location of an entity (such as branches, divisions, and headquarters) may be assigned a DUNS number. Subawardees may obtain a DUNS by phone or through the internet. Information on how to obtain a DUNS number is provided on-line at:

http://www.whitehouse.gov/sites/default/files/omb/grants/duns_num_guide.pdf

Effective July 2, 2012, DUNS numbers will be collected on all grant-related Contract and Encumbrance Information Sheets and will eventually be collected on the Vendor Registration form.

5.2 Debarment and Suspension

Shelby County Government and its subrecipients shall not award grant assistance to applicants that are debarred or suspended, or otherwise excluded from or ineligible for participation in Federal assistance programs under Executive Order 12549.

County grant staff and subrecipients are to insure to the best of their knowledge and belief that prior to extending a subaward, the potential subaward agency or its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency. At a minimum, County grant staff, County subgrantees, and SCGO shall check the Excluded Parties List System (EPLS) at www.epls.gov to insure that the agency itself or principals of the subaward agency are not excluded or disqualified based on the EPLS list.

5.3 Federal Funding Accountability and Transparency Act (FFATA)

All new direct federal, non-ARRA, grant awards and contracts in the amount of \$25,000.00 or more are subject to FFATA reporting. Shelby County's legal opinion on FFATA was delivered to division directors on February 23, 2012.

SCGO has internal controls in place to identify potential FFATA subaward obligations. County grant staff shall complete a FFATA Subaward Reporting Form for all applicable subaward obligations in the amount of \$25,000.00 or more. County grant staff are to complete FFATA reporting reports no later than the 20th of each month following the month in which the subaward was executed, and forward their reports to sandy.rutherford@shelbycountyttn.gov.

FFATA guidance and forms are located in Appendix 5, which includes the County Attorney's Opinion that outlines procedures and protocols appropriate for meeting FFATA reporting requirements, a form letter to County grant administrators summarizing FFATA procedures, and Shelby County Government's FFATA Reporting Form that is to be completed by County grant staff and submitted to the SCGO for all reportable obligations.

5.4 Code of Federal Regulations and Office of Management and Budget Circulars

5.4.1 Uniform Administrative Requirements

a. OMB Circular A-102

This OMB grants guidance is for grants and cooperative agreements with State and Local Governments. This guidance is to serve as administrative guidance to Shelby County Government, including County grant staff, in their capacity as a direct federal grantee unless the grant program guidance states otherwise.

b. 2 CFR Part 215 (formerly OMB Circular A-110)

This OMB grants guidance is for grants and agreements with Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations. This guidance is to serve as administrative guidance to Shelby County Government's sub-recipients that are higher education, hospital or non-profit agencies, unless the grant program guidance states otherwise.

5.4.2 Cost Principles

2 CFR Part 225 (formerly OMB Circular A-87)

This OMB grants guidance is Cost Principles for State, Local, and Indian Tribal Governments. This guidance is to serve as cost principles guidance for Shelby County Government, unless the grant program's guidance states otherwise.

5.4.3 Audit Requirements

OMB Circular A-133

This OMB grants guidance is Cost Principles for State, Local, and Indian Tribal Governments. This guidance is to serve as cost principles guidance for Shelby County Government, unless the grant program's guidance states otherwise.

5.5 Equal Services Provider

SCG is an equal employment and services provider. All grant decisions are based on merit and program need, and not on race, color, citizenship status, national origin, ancestry, gender, sexual orientation, age, weight, religion, creed, physical or mental disability, marital status, veteran status, political affiliation or any other factor protected by law.

5.5.1 Title VI

Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d, et seq. and its implementing regulations provide that no person shall be subjected to discrimination on the basis of race, color, or national origin under any program or activity that receives federal financial assistance. In most cases, when a recipient receives Federal financial assistance for a particular program or activity, all operations of the recipient are covered by Title VI, not just the part of the program that uses the Federal assistance.

5.5.2 Limited English Proficiency (LEP)

Language for LEP individuals can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by federally funded programs and activities. Title VI and Title VI regulations require that recipients take reasonable steps to ensure meaningful access to the information, programs, and services they provide.

Office of Multicultural Services may assist grant staff to interpret Spanish, while Language Line is a cost-based service to which Shelby County Government subscribes, with each County department to be charged for the use of the services, when County staff needs help in interpreting foreign languages.

5.5.3 American Disabilities Act (ADA)

In the broadest sense, it requires that state and local governments be accessible to people with disabilities. For additional information regarding statute and regulations <http://www.ada.gov/> or contact your respective Assistant County Attorney.

6 Grant-Related Forms

Shelby County Government has revised existing County forms and created some new County grant-related forms to be used by County grant staff when routing grant awards for signature, requesting fund numbers, executing subawards/subcontracts, requesting technical assistance, submitting special reports, etc. Sample forms are provided in Appendix – Grant-related forms and also accessible on the SCGO website. These new or revised grant-related forms are listed below:

- i. Grant Fund Number Request Form
- ii. Contract and Encumbrance Information Sheet
- iii. Grant Fact Sheet
- iv. FFATA Subaward Reporting Form
- v. Technical Assistance Form

7 APPENDICES

7.1 GLOSSARY

Abstract: An overview and summary statement provided by the subrecipient describing a grant's purpose, client base, goals and objectives. Typically an abstract is limited to one page.

Activities: A logic model component that describes what a program does with the inputs to fulfill its mission. Activities include the strategies, techniques, and types of treatment that comprise a program's service and methodology.

Award: Financial assistance that provide support or stimulation to accomplish a public purpose. Awards include grants and other agreements in the form of money or property in lieu of money, by the grantor to an eligible recipient. The term does not include technical assistance, which provides services instead of money; other assistance in the form of loans, loan guarantees, interest subsidies, or insurance; direct payments of any kind to individuals; and, contracts which are required to be entered into and administered under procurement laws and regulations.

Cash Match: Includes actual cash spent by the subrecipient for project-related costs. Accounting records should be verifiable and trace back to source documentation.

Contracts: Written agreements entered into by the awarding agency, recipients or subrecipients, and commercial (profit-making) and non-profit organizations. With the exception of a few justified sole source situations, contracts are awarded via competitive processes to procure a good or service.

DUNS Number: A number issued by Dun & Bradstreet that identifies individual companies world-wide. It may also distinguish a parent agency from its branch agencies.

Equipment: Tangible non-expendable personal property having an acquisition cost of \$5,000 or more per unit. A subrecipient may use its own definition of equipment provided that such definition would at least include all equipment defined above.

Grant: Agreement of financial assistance from an agency to a recipient to carry out a public purpose of support or stimulation whenever 1) the principal purpose of the relationship is the transfer of money, property, services, or anything of value to the recipient in order to accomplish a public purpose of support or stimulation authorized by statute, and 2) no substantial involvement is anticipated between the grantor agency and the recipient during performance of the contemplated activity.

Grant staff: Any Shelby County staff member, or other person, who is acting on behalf of a Shelby County Government grant.

Grantor: Primary awarding agency, i.e. federal or state government.

Grantee: The direct recipient of a grant award who is legally bound by the grantor's award or contract.

In-kind Match: In-kind match does not involve cash. 'In-kind' is the value of something received or provided, which is beneficial to the program, but for which no cash exchanges hands. In-kind contributions must be verifiable from grantee records, necessary and reasonable, allowable under cost principles, and not included as a contribution under any other federal award

Inputs: A logic model component that includes resources dedicated to or consumed by a program such as money, staff and staff time, facilities, equipment and supplies.

Logic Model: A logical description of how the project theoretically works to benefit the target group. The narrative description of the applicant's project must tie purposes, inputs, activities, outputs, and outcomes together in a logical fashion.

Match: The subrecipient share of the project cost. Match is restricted to the same use of funds as allowed for the Federal funds. Match must be directly related to the project goals and objectives and must be documented in the same manner as grant funded activities. See cash match and in-kind match.

Non-profit Organization: The term nonprofit organization refers to those legally constituted, nongovernmental entities, incorporated under state law as charitable or not-for-profit corporations that have been set up to serve some public purpose and are tax-exempt according to the IRS.

Obligation: A legal liability to pay under a grant, subgrant, and/or contract an agreed upon sum for services or goods incurred during the grant term.

Outcomes: A logic model component that describes the benefits resulting for the participants from the program activities. Outcomes should describe some change in the participant's condition. The key is to show what differences a project is expected to make or what value it is expected to add to the participant's well-being. Outcomes establish the benefits of the funding in measurable terms. They describe the results of the services being provided

Outputs: A logic model component that describes the direct products of program activities and usually are measured in terms of the volume of work accomplished such as the number of classes taught, counseling sessions held, people served, etc.

Pass-through entity: A non-grantor entity that provides an award to a subrecipient to carry out a grant program.

Personally Identifying: Identifying information for or about an individual including information likely to disclose the location of a victim of domestic violence, dating violence, sexual assault, or stalking, including:

- a) a first and last name
- b) a home or other physical address;
- c) contact information (including a postal, e-mail or Internet protocol address, or telephone or facsimile number)
- d) a social security number;
- e) any other information, including date of birth, racial or ethnic background, or religious affiliation, that, in combination with what is listed above would serve to identify any individual.

Program Income: Gross income earned by the recipient during the funding period as a direct result of the award.

Subrecipient: The legal entity to which a subaward is made and which is accountable to the recipient for the use of the funds provided. Subrecipient and subawardee are interchangeable terms.

Subaward: An award of financial assistance, generally a monetary award, made as a result of a Federal award to a grant recipient or contractor to a sub-recipient or sub-contractor respectively.

Subgrant: An award of financial assistance made under a grant by a grantee to an eligible subgrantee. The term includes financial assistance when provided by contractual legal agreement, but does not include procurement purchases, nor does it include any form of assistance which is excluded from the definition of grant in this part.

Subgrantee: means the legal entity to which a subgrant is awarded and that is accountable to the grantee for the use of the funds provided.

8 ACKNOWLEDGMENT

I acknowledge that I have received a copy of the Shelby County Grants Office (SCGO) Policies and Procedures, and I commit to read and follow these policies.

I am aware that if, at any time, I have questions regarding SCGO policies I should direct them to the Shelby County Grants Office.

I also am aware that the Shelby County Grants Office, at any time, may on reasonable notice, change, add to, or delete from the provisions of these policies.

Employee's Printed Name

Title

Employer/Agency Name

Department

Employee's Signature

Date